

**ROBINSON BROG LEINWAND GREENE
GENOVESE & GLUCK P.C.**

875 Third Avenue, 9th Floor
New York, New York 10022-0123
Tel. No.: 212-603-6300

A. Mitchell Greene

Fred B. Ringel

Steven B. Eichel

Attorneys for the Debtors

Hearing Date: August 11, 2017

Hearing Time: 10:00 a.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

In re:

Chapter 11

EAST VILLAGE PROPERTIES, LLC,
*et al.*¹

Case No.: 17-22453 (RDD)

(Jointly Administered)

Debtors.

-----X

**DECLARATION OF DAVID GOLDWASSER IN SUPPORT OF
THE FACTUAL ALLEGATIONS OF THE DEBTORS'
OBJECTIONS TO CLAIMS FILED BY ABRAHAM LOKSHIN,
NAUM LOKSHIN AND A&N FUNDING CO. LLC**

DAVID GOLDWASSER, does hereby affirm the following under penalties of perjury:

1. I am the Manager of GC Realty Advisors LLC, who is the manager of East Village Properties LLC ("EVP"). EVP and its affiliated debtors are collectively referred to herein as the "Debtors". I am authorized to submit this declaration to verify specific factual allegations in support of the Debtors' objection to the claims filed by Abraham Lokshin, Naum Lokshin and A&N Funding Co. LLC (collectively, the "Lokshin Entities") against each of the

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtors' taxpayer identification number are as follows: East Village Properties LLC (1437); 223 East 5th Street LLC (8999); 229 East 5th Street LLC (8348); 231 East 5th Street LLC (4013); 233 East 5th Street LLC (8999); 235 East 5th Street LLC (1702); 228 East 6th Street LLC (2965); 66 East 7th Street LLC (1812); 27 St Marks Place LLC (1789); 334 East 9th Street LLC (7903); 253 East 10th Street LLC (4317); 325 East 12th Street LLC (0625); 327 East 12th Street LLC (7195); 329 East 12th Street LLC (0475); 510 East 12th Street LLC (1469); and 514 East 12th Street LLC (7232).

Debtors' estates. As the manager, my responsibilities include, but are not limited to, reviewing claims and ensuring that the case is proceeding properly. I make this declaration based upon personal knowledge and review of the relevant pleadings and the Debtors' books and records, except for the statements made herein "on information and belief."

2. I have carefully reviewed the *Debtors' Objections to Claims Filed by Abraham Lokshin, Naum Lokshin and A&N Funding Co. LLC* (the "Claims Objections") and hereby verify that the factual allegations set forth in paragraphs 1, 2, 6 through 9, 16 and 21 are true and correct to the best of my knowledge information and belief form after reasonable inquiry and if called upon to testify, I would competently testify as to the matters stated therein

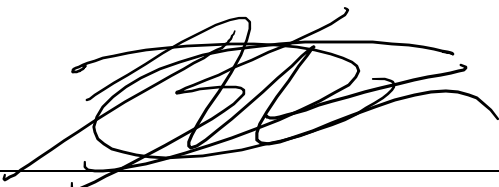
3. A copy of the Agreement dated December ___, 2016 (the "December 2016 Agreement") between Raphael Toledano and the Lokshin Entities is attached hereto as Exhibit A.

4. A copy of a portion of the closing statement relating to the sale of property referred to in the December 2016 Agreement is attached hereto as Exhibit B.

5. A copy of emails showing wire transfer payments is attached hereto as Exhibit C.

6. I hereby verify under penalty of perjury, and in accordance with 28 U.S.C. §1746, that the foregoing is true and correct.

Executed on June 14, 2017



David Goldwasser

EXHIBIT A

AGREEMENT

AGREEMENT (the "Agreement") made this day of December, 2106 by Raphael Toledano ("Toledano") in favor of Abraham Lokshin ("AL") and Naum Lokshin ("NL") and all entities owned by them or either of them, including but not limited to A&N Funding Co. LLC (together with AL and NL, "Lokshin").

WHEREAS, Toledano and a number of entities in which Toledano has an interest (collectively, the "Toledano Entities" and, together with Toledano, the "Toledano Parties") owe certain monies to Lokshin (collectively, the "Indebtedness") pursuant to a number of loans and/or investments made by Lokshin to and/or with one or more of the Toledano Parties (collectively, the "Loans"); and

WHEREAS, E. 27th St Holdings LLC (the "LLC"), one of the Toledano Parties, promised to reduce the Indebtedness by \$4,500,000.00 when it sold the properties owned by it and located at 218 and 220 East 27th Street, New York, New York (collectively, the "27th Street Properties"), such pay down being a condition precedent to such sale; and

WHEREAS, the Toledano Parties have asked Lokshin to accept a pay down of substantially less than \$4,500,000.00 from the sale of the 27th Street Properties, and Lokshin is willing to accept such lesser pay down, if further assurances and concessions are delivered to it.

NOW, THEREFORE, in consideration of the premises and for \$10.00 and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Toledano agrees as follows:

1. Confirmation. The Toledano Parties confirm that the Loans remain outstanding, are secured, *inter alia*, by the Properties listed in Exhibit "A" herein, and that it has no defense to payment of same. Provided that closing proceeds clear collection in Lokshin's account (or the account of Jeffrey Zwick & Associates, P.C., as attorney) no later than December 7, 2016 (the "Payment Date"), Lokshin shall agree to allow the LLC to sell the 27th Street Properties upon reduction of the Indebtedness by an amount equal to or greater than \$3,900,000.00 (the "Partial Payoff"). The Partial Payoff shall be credited towards sums owed to Lokshin, including, but not limited to, interest, default interest, late fees, legal fees, etc., which have accrued prior to the Payment Date. *WITHIN TEN (10) BUSINESS DAYS FROM THE DATE WHEREON LOKSHIN SHALL PROVIDE A COMPLETE ACCOUNTING AND RECONCILIATION OF ALL LOANS FROM*
2. Application. Lokshin, in his sole and exclusive discretion, shall determine which of the Loans and against which *ANY PAYMENT TO LOKSHIN,* Properties the Partial Payment shall be applied. In furtherance of the foregoing, the Toledano Parties agree that unless Lokshin hereafter designates to the contrary in writing, under no circumstances shall any portion of the Partial Payoff be allocated towards sums owed in connection with the properties known as 125 West 16th Street, New York, New York, 444 East 13th Street, New York, New York or 97 Second Avenue, New York, New York. It is expressly agreed that the Toledano Parties have forfeited the right to decide which Loans are being paid and how monies paid to Lokshin shall be applied.
3. No Satisfaction. The Indebtedness shall not be considered satisfied for purposes of this Agreement, until such time that AL or NL has indicated in writing that Lokshin has received payment in full of the Indebtedness
4. Miscellaneous. This Agreement (i) sets forth the full understanding of the parties and supersedes all prior and contemporaneous agreements, written or oral, excepting the Loan Documents, (ii) may not be changed or terminated except by a writing signed by the party to be charged, (iii) shall be governed by the laws of the State of New York, without regard to principals of conflicts of law, (iv) shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns, (v) shall not be construed more strictly against either party, if any clause is ambiguous and (vi) may be executed in counterparts, all of which shall constitute one and the same agreement. Each party waives trial by jury in any action or proceeding arising out of or relating to this Agreement. Pdf and facsimile signatures of the parties shall be deemed to be ink original signatures for all intents and purposes. AL, NL and Lokshin may assign their respective rights hereunder, ~~and may record this instrument against all real property now or hereafter owned by Toledano and/or the Toledano Parties.~~ Any default hereunder or under any future loan and/or security instruments delivered to Lokshin shall be a default under the Loan documents and vice versa. Toledano warrants and represents that it is executing this Agreement freely and voluntarily, without duress, after consultation with independent counsel of his own selection. Toledano's signature herein shall serve to bind all of the Toledano Parties.

IN WITNESS WHEREOF, Toledano has executed and delivered this Agreement on the date and year first above written



Raphael Toledano

State of New York)
) ss.:
County of New York)

On the _____ day of December, 2016 before me, the undersigned, a Notary Public in and for said State, personally appeared, Raphael Toledano, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

EXHIBIT B

SUMMARY OF ADJUSTMENTS:

DEBITS TO SELLER

PURCHASE PRICE:	\$13,100,000.00
Credit: Reimbursement for Buyout of Apt. 8 at 220 East 27 th Street	\$10,000.00
R.E. Taxes: 26 days @ \$41,492.65 per 1 st half (12/6/16 to 12/31/16)	\$5,863.00
R.E. Taxes: 26 days @ \$50,309.94 per 1 st half (12/6/16 to 12/31/16)	\$7,109.00
Fuel:	(Gas)
TOTAL DEBITS	<u>\$13,122,972.00</u>

CREDITS TO PURCHASER

DOWNPAYMENT:	\$655,000.00
Water/Sewer: 42 days @ \$9.21 per diem (10/25/16 to 12/5/16)	\$387.00
Water/Sewer: 42 days @ \$26.44 per diem (10/25/16 to 12/5/16)	\$1,110.00
218 E 27 th Building:	
Rents: 26 days @ \$10,419.81 per month (12/6/16 to 12/31/16)	\$8,683.25
Prepaid Rents:	N/A
Security: (See Exhibit 11)	\$9,366.11
Credit: Apt. 7 – Surrender/Relocation Credit (Contract Para 6.4)	\$40,334.00
220 East 27 th Street:	
Rents: 26 days @ \$8,494.78 per month (12/6/16 to 12/31/16)	\$7,079.00
Prepaid Rents:	N/A
Security: (See Exhibit 11)	\$18,966.97
TOTAL CREDITS	<u>\$740,926.33</u>

BALANCE DUE TO SELLER **\$12,382,045.67**

PAYMENTS AND DISBURSEMENTS:

The balance due to Seller, \$12,382,045.67 was paid to Seller or at the direction of Seller as follows:

1) By wire to Brick Six Capital, LLC (Seller's Mortgage Payoff)	\$7,575,000.00
2) By wire to Jeffrey Zwick & Associates, P.C., as Attorney (Pay Down to Alex Lokshin/A & N Funding Co. LLC)	\$1,208,071.52
3) By wire to Jeffrey Zwick & Associates, P.C., as Attorney (Pay Down to Alex Lokshin/A & N Funding Co. LLC)	\$2,691,928.48
4) By wire to Jeffrey Zwick & Associates, P.C. (Attorney's Fees)	\$20,000.00
5) By wire to Madison Abstract, Inc. (Portion of Seller's Title Charges)	\$350,000.00
6) Konner Teitelbaum & Gallagher, as Attorney (Balance)	<u>\$537,045.67</u>
TOTAL	<u>\$12,382,045.67</u>

EXHIBIT C

Claire Fu

From: Simonowitz Shimon <shimon@jzlegal.com>
Sent: Tuesday, December 06, 2016 2:11 PM
To: Jeffrey Zwick; Robert J. Teitelbaum
Cc: Claire Fu
Subject: RE: 27th street wires

received

12/06/2016 02:05 PM (ET) JAMES P PRINCE ATTOR 1 INCOMING WIRE
INCOMING WIRE REF# [REDACTED] 4214 FROM: JAMES P PRINCE ATTORNEY AT
LAW ABA: 22 \$20,000.00

12/06/2016 02:05 PM (ET) JAMES P PRINCE ATTOR 1 INCOMING WIRE
INCOMING WIRE REF# [REDACTED] 4143 FROM: JAMES P PRINCE ATTORNEY AT
LAW ABA: 22 \$2,691,928.48

12/06/2016 02:05 PM (ET) TRANSFER CREDIT
TRANSFER CREDIT TRANSFER FROM: [REDACTED] 0111 \$1,208,071.52

Thank You,

Shimon Simonowitz
Jeffrey Zwick & Associates, P.C.
266 Broadway, Suite 403
Brooklyn, NY 11211
T. (718) 513-2050 x 103
F. (718) 513-2060
shimon@jzlegal.com

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-----Original Message-----

From: Jeffrey Zwick
Sent: Tuesday, December 06, 2016 2:04 PM
To: Robert J. Teitelbaum <rteitelbaum@ktglaw.com>; Simonowitz Shimon <shimon@jzlegal.com>
Cc: Claire Fu <cfu@ktglaw.com>
Subject: RE: 27th street wires

Claire Fu

From: Simonowitz Shimon <shimon@jzlegal.com>
Sent: Wednesday, December 07, 2016 3:40 PM
To: Jeffrey Zwick; Robert J. Teitelbaum
Cc: Claire Fu
Subject: RE: 27th street wires

Received

12/07/2016 03:37 PM (ET) KONNER TEITELBAUM & 1 INCOMING WIRE
INCOMING WIRE REF# [REDACTED] 6080FROM: KONNER TEITELBAUM &
GALLAGHER, ABA: 32 \$65,000.00

Thank You,

Shimon Simonowitz
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F. (718) 513-2060
shimon@jzlegal.com

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Thank you

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-----Original Message-----

From: Jeffrey Zwick
Sent: Tuesday, December 06, 2016 2:45 PM
To: Robert J. Teitelbaum <rteitelbaum@ktglaw.com>; Simonowitz Shimon <shimon@jzlegal.com>
Cc: Claire Fu <cfu@ktglaw.com>
Subject: RE: 27th street wires

Are you sending the 65k when you get back?

Jeffrey Zwick, Esq.
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(718) 513-2060-fax